
BOARD POLICY TABLE OF CONTENTS

POL-601: Reporting Information to the Board – *Protocol for reporting information to the Board*

POL-801: Project Cost Increases – *Procedure to request an increase in board funds*

POL-802: Value Engineering Studies – *Requirements for projects needing VE studies*

POL-803: Project Audit Implementation – *Information regarding auditing on completed projects*

POL-804: Prospectus Submittals – *Requirements of project to accurately determine fund availability*

POL-807: Matching Funds for Bridge Replacement Projects – *Requirements for funding selection*

POL-808: Sidewalks – *Sidewalk requirements for TIB projects*

POL-810: TIB Mitigation – *Reimbursement of mitigation costs*

POL-811: Urgent Project Issue Resolution – *Resolution of urgent project issues through Exec Dir*

POL-812: TIB Sign Specifications – *Gives sign specifications for advertisement of TIB projects*

POL-813: Emergent Nature Projects – *Requirements for emergent nature project consideration*

POL-814: Subsurface Utility Engineering – *SUE requirements on TIB funded projects*

POL-815: Right of Way – *Right of way acquisition on TIB funded projects*

Delegation of Authority to Director – *Gives Executive Director Authority for certain project approvals*

POL-601 Reporting Information to the Board:

Recognizing that the Board does not schedule meetings on a monthly basis, the amount of information to be reviewed at each Board Meeting is increasing, and in an effort to make the administration of the Arterial Improvement Program (AIP), Transportation Partnership Program (TPP), City Hardship Assistance Program (CHAP), Small City Program (SCP), Pedestrian Safety and Mobility Program (PSMP), and the Route Jurisdiction Transfer (RJT) process function in an efficient manner, the Executive Director will report to the Board as specified below.

Authorization vs. Revenue reports for AIP, TPP, CHAP, SCP, and PSMP programs – These reports will be included as an informational item at the Board meetings.

Project Cost Change report on authorized AIP, TPP, CHAP, SCP, and PSMP projects – A summary of project actions by the Board and the Executive Director will be included as an informational item at the board meetings. The report will include a summary of fund decreases and increases granted.

Status of delayed TIB projects – A summary of the delayed projects will be reported to the Board at the July Board Meeting. A project review sheet will only be included for projects in each program needing to be reviewed by the Board. The projects included will be those that have significant changes in schedule or estimated cost.

Bond sale report for the Transportation Partnership Program – The Executive Director will report to the Board bond sales in the Executive Director's Report.

POL-801 Project Cost Increases

In addition to WAC 479-05-240, Procedure to request an increase in board funds, the board adopts the following policy relating to the request for an increase in funds at design and/or construction phases. The reference point for all project-matching ratios shall be the current approved TIB rate as of October 23, 1998, or the project selection date, whichever is later.

- Project increases greater than 15% or \$750,000 above the original TIB funds at project selection for urban AIP and TPP projects through Contract Completion will be brought before the Board for approval. Projects with excessive increases may be required to be resubmitted for reconsideration in a future funding cycle.
- Projects that are still pending design approval, that are not progressing or that have unrealistic completion dates, i.e., too far into the future, may be withdrawn.
- The project selection process on urban funding programs will include an application project cost estimate prepared and stamped by a registered engineer.
- For AIP projects selected after July 1, 2001, if Bid Award is not reached within 4-1/2 years of project selection, all increase requests will require approval of the Board.
- For TPP projects selected after July 1, 2001, if Bid Award is not reached within 5-1/2 years of project selection, all increase requests will require approval of the Board.
- CHAP, PSMP, and SCP project cost increases will be reviewed by the Board prior to design or construction approval on a case-by-case basis as determined by the executive director.

Matching ratio for TPP and AIP increases – A request for an increase in TIB funds may be made at the construction approval phase. The request for an increase in TIB funds shall not exceed the total increase above the total project cost submitted in the project application/project design review multiplied by the current TIB matching ratio. The fund increase approved by the board may result in a revised TIB matching ratio. Any increase in TIB funds may be adjusted at the construction approval and/or bid opening phases, a final adjustment may be made at the completion of the project. No increase will be approved at the design approval phase.

POL-802 Value Engineering Studies

The Board adopts the following policy regarding Value Engineering (VE) studies. For urban funding programs, a VE study is required for all projects exceeding two million dollars in total cost or any project determined by TIB staff to warrant a VE study. Projects in the Small City Program, Pedestrian Safety Mobility Program, or City Hardship Assistance Program do not require a VE study unless TIB staff determines there is a need for a study. Projects selected and funded for the construction phase only or projects that have less than a 20 percent TIB match in the total eligible project cost may be exempted from the VE study requirement by the Executive Director.

If the lead agency requests a waiver from the VE requirement, the agency shall submit a VE assessment report to be reviewed by TIB staff. This report will address the project characteristics, cost per mile, potential savings of high cost items, and other considerations unique to the project. Staff will review the VE assessment report and, from that review, develop a recommendation as to whether a VE study should be performed. The Executive Director shall have the authority to grant VE waivers for projects with a total cost not exceeding five million dollars, except as provided for above. Projects exceeding five million dollars will be reviewed and submitted to the Board for action on the waiver request.

If a VE study is required, an interagency team will be established and approved by the TIB Director, under the authority delegated from the Board.

If a TIB project is a part of a WSDOT facility, the WSDOT determination regarding the need for a Value Engineering Study will be accepted by TIB.

POL-803 Project Audit Implementation

Small city projects will have a desk audit and, unless questions are found by the TIB staff that warrants a full audit, no further action will be taken.

Urban projects may be audited if one or more of the following situations occur:

1. If the staff of the administration agency is separated to the point that the accounting

section has little contact with the engineering section.

2. If the TIB project engineer becomes knowledgeable of any problems during the life of the project that would warrant an audit.
3. If the lead agency requests an audit.
4. If one TIB project is being audited, it may be appropriate to consider auditing other TIB projects that the agency has completed.
5. If past experience has shown an agency has problems in project administration, their projects will be audited until the agency's administrative procedures are corrected.
6. If the project has a complicated financing scheme.

TIB projects may be selected for an audit on a random basis.

POL-804 Prospectus Submittals

The Legislature requires the Board to allocate funds to projects prior to July 1st of each year. In order to accurately determine the amount of funds required for previously approved projects and to determine the amount of funds available for new project starts, the following policy is established:

- On projects the Board has selected for funding prior to July 1, 2001, the lead agency shall submit a prospectus for project approval within 10 months from the date the Board offered funding or, if unable to do so, submit a written report to the Board explaining why the funding request must be delayed. On projects selected after July 1, 2001, approval for initial funding will be given at the time of selection, and the 10-month rule will not apply.
- For projects that are nearing the 10 month limit for initial prospectus submittal, the Executive Director will contact the agency in writing to determine when the agency plans to request prospectus approval. The Executive Director will analyze the agency's response and their

past performance and may recommend to the Board that the offer for project funding be withdrawn.

- For projects or stages of projects that have received initial funding and the development of that portion of the project appears to be progressing at an inappropriate rate, the Executive Director shall request the lead agency to provide an explanation for the apparent delay in project development. If the response from the lead agency reveals that the project is unjustifiably delayed, the Executive Director may recommend to the Board that the funding for this project or stage of project be withdrawn.
- When the Board reviews a priority array to offer funding for new projects, the Board will consider the local agency's past performance on projects and may withhold an offer of funding for the project if, in the Board's opinion, the agency's performance on a previously authorized project is unacceptable.

In no case will a project's funding or offer for funding be withdrawn without the agency having an opportunity to appeal to the Board.

POL-807 Matching Funds for Bridge Replacement Projects

Small City Program Projects:

Recognizing that the TIB Priority Array process does not coincide with the funding process of the Federal Bridge Replacement and Rehabilitation Program (FBRP) and the requirement for 20 percent local matching funds is often an unexpected, untimely and an extreme financial burden for small cities, the board adopts the following policy:

The Board will retain flexibility in the Small City Program (SCP) to consider funding the local matching funds for bridge projects. Only the work necessary for the bridge replacement or rehabilitation and the approaches is eligible for reimbursement. To be selected for funding under the SCP, the project must be selected for funding under the FBRP. The Board shall determine annually the amount of SCP funds to be made available for bridge projects. The amount not used for bridge projects under this

policy shall be made available for other SCP projects.

Transportation Partnerships Program or Arterial Inventory Program Projects:

The Board adopts the following policy regarding funding of urban projects in the FBRP:

The Board will accept Bridge Replacement project applications in the program funding cycles. The project will be rated against the other applications submitted for funding and will compete for TIB funding based on the criteria for the respective program. If the project is selected, the local agency will be required to fund a minimum of twenty percent of the required match for Federal Bridge Replacement funds; the remainder of the required local match will be fundable by TIB.

POL-808 Sidewalks

Recognizing the importance of sidewalks in the overall transportation plan, sidewalks are required on both sides of the roadway of all urban projects. Projects in the Pedestrian Safety and Mobility Program will only require sidewalks as specified in the project application.

Sidewalks are required on one side only on small city projects, except in areas where pedestrian traffic will be higher. Examples of higher pedestrian traffic areas are business districts and schools. The agency will be encouraged to construct sidewalks on both sides in these areas. Small city projects in the rehabilitation portion of the program may be exempt from the sidewalk requirement.

Sidewalks shall be a minimum of five feet in width, clear of any obstructions, and shall meet the requirements of the Americans with Disabilities Act. The maximum sidewalk width eligible for participation is eight feet, unless existing adjacent sidewalks are wider. Existing sidewalks may be utilized to satisfy the requirements of this policy.

POL-810 TIB Mitigation Policy

The purpose of this policy is to allow mitigation costs to be reimbursed with TIB funds and to limit the impact of the cost of excessive mitigation or other unusual project features.

The lead agency will be required to identify any mitigation item(s) and its cost(s) at the application phase of the project. The lead agency shall certify that mitigation items do not exceed state and federal requirements as applicable.

Mitigation items may include:

Sound walls/berms: Sound walls/berms are eligible for reimbursement up to 50% of the construction costs of the walls/berms if the following conditions are met:

1. The need for sound walls/berms are substantiated by project parameters and verified by noise level studies using current state or federal standards.
2. The local agency has formally adopted policies regarding sound walls/berms and has implemented it on all transportation projects.

Wetland Mitigation: Mitigation work that is in excess of that which is required by state or federal requirements is not eligible for TIB funding.

Hazardous Material Cleanup: Super fund sites are not eligible for TIB funds, other sites may be reviewed on a case-by-case basis.

Complex Bridges: Project costs for bridge designs exceeding the most cost effective design are not eligible for TIB funds.

Earthquake design: Additional costs for bridges designed to withstand higher magnitude earthquakes than is required by state or federal requirements are not eligible for TIB funds.

Other unusual project features: Other project features as determined by the TIB staff to be of excessive costs will be reviewed by the TIB increase subcommittee for recommendation to the Board prior to their action on the project.

Project elements of landscaping and utility undergrounding and their costs are subject to the rules and guidelines for landscaping and not this policy. Other items that may be included in landscaping costs are:

Ornamental Lighting: Extra cost over the cost for standard roadway lighting poles and fixtures are eligible for TIB funding.

Art Work: All costs for art or unusual architectural features or treatments are considered part of landscaping (e.g. an aesthetic amenity). All art must be on the project site to be eligible for TIB funding.

POL-811 Urgent Project Issue Resolution Policy

Recognizing that the Board does not schedule meetings on a monthly basis or the possibility of meeting cancellations and in an effort to make the administration of the TIB Programs function in an efficient manner, the Executive Director will resolve urgent project issues in accordance with the following procedure. The TIB Chair is delegated approval authority as specified below.

1. Project issues are defined as aspects of a project that require Board review and approval (cost increase, scope change, sidewalk deviation, deviation from minimum standards, etc.). A project issue becomes urgent when waiting for the next scheduled board meeting would cause undue delay in the development of the project, project cost increases, missing a construction season, losing a time constrained local funding source(s), or other similar detrimental effects as determined by the Executive Director.
2. The Executive Director will schedule a special meeting, which may be by a telephone conference call, with the executive committee. The participation of a majority of the respective committee members, including the Committee Chair or a designated alternate, shall constitute a quorum. The meeting shall include the appropriate TIB staff and local agency representatives and shall be conducted in a manner similar to a regularly scheduled board meeting. The local agency shall be permitted to proceed with project development consistent with the Committee's recommendation(s) as of the date of the TIB Chair's concurrence.

The Committee finding(s) will be reported to the Board in the TIB Chair's report at the next regularly scheduled meeting.

POL-812 TIB Sign Policy

The purpose of this policy is to identify to the public, projects which are funded in part with motor vehicle fuel tax or motor vehicle excise tax funds administered by the Transportation Improvement Board.

Transportation improvement projects funded by the Transportation Improvement Board shall include a suitable project sign which includes as a minimum the following information:

- The name of the project
- The lead agency name
- The funding partners, and the funding provided by each partner

The sign shall be at least 4 feet by 8 feet in size, and shall be mounted near the beginning of the project. The funding sources and amounts shall be listed in 2-inch or larger lettering. If logos are used to identify funding partners, the logos shall be at least 8 inches in height. If the Transportation Improvement Board is the largest funding partner, the TIB logo shall be prominently placed along with the local agency logo.

The TIB funds shall be identified as "State Transportation Improvement Board."

If the lead agency has a standard sign design for its capital improvement projects, it may be used as long as the TIB funding information is provided.

POL-813 Emergent Nature Projects

An eligible agency may request the Transportation Improvement Board to consider a project for participation in the TIB's current approved funding program as an emergent nature project pursuant to the provisions of RCW 47.26.080 and RCW 47.26.084. Applications must be submitted on those forms provided by the Board during the last approved funding program.

A project will be considered by the Board under this rule when the need for the project has arisen unexpectedly because of new developments in the area since the local agency prepared its current six-year construction program and when the local agency can clearly demonstrate that this need

could not have been anticipated at the time that program was developed.

The local agency shall present evidence to the Board concerning the emergent nature of the project and must demonstrate:

1. there has been a significant change in the location or development of traffic generators in the area of the project; and
2. the work proposed to be performed in the project is necessary to avoid or reduce serious traffic congestion in the area of the project in the near future; and
3. the significant increase in the need for the project defined in the project prospectus could not have been reasonably anticipated at the time the local agency's six-year construction program was prepared and submitted;

provided however, if the Board determines that the project is a significant component of the State's transportation system, the Board may waive any of the foregoing requirements.

Each application shall be accompanied by the most current available data relating to the priority rating factors specified by the Board. The Board shall evaluate projects proposed as emergent nature projects in relation to the priority array of projects developed during the last funding program. No project shall be considered for approval unless its priority is sufficiently high that the project would have been included in the Board's approved funding cycle if it had been available for rating at that time.

No project will be approved for participation as an emergent nature project if the funding of that project would adversely affect the construction of projects previously approved for participation by the Board. The Transportation Improvement Board shall consider emergent nature projects at its regularly scheduled meetings, at which time the submitting agency will be given the opportunity to make a presentation.

POL-814 Subsurface Utility Engineering

The Board adopts the following policy regarding Subsurface Utility Engineering (SUE) on TIB funded projects:

- All TIB projects with an estimated construction cost greater than \$500,000 are encouraged to utilize SUE. This policy will not affect phases of projects with an advertisement date prior to February 1, 2001. The SUE activities normally will continue through the life of the project from pre-design through construction.
- The TIB will establish a roster of SUE consultants that local agencies may use to perform SUE activities on their project. The local agency may also advertise for SUE services using their own request for services and selection process.
- At the start of the design phase, the lead agency may make a determination of the quality level of SUE to be used on the project. The lead agency may use a SUE consultant to determine if certain areas of the project require a utility information quality level of A or B (QL-A or QL-B) on underground utility location. If the lead agency decides to include SUE QL-A and/or QL-B for their project, the results of this determination shall be forwarded to the TIB for review and approval. Lead agencies shall refer to the latest FHWA publication on Subsurface Utility Engineering as a reference source for SUE procedures, consultant qualifications, and a sample request for services and consultant agreement.
- Some of the work involved in SUE is part of the normal design of all projects. The work involved for QL-A and QL-B shall be classified as a special study, for TIB purposes, and will be outside of the TIB limits on the percentage of engineering cost on projects. However, a request must be submitted to the Executive Director for approval for the portion of the work that is considered special study.

For those projects where the lead agency has submitted a request for approval of QL-A or QL-B or for those projects where the Executive Director has assigned a SUE consultant and

approval is pending as of the date of this policy revision, the local share of the match for the work involved for QL-A and QL-B will be reduced by fifty percent. The SUE work involved furnishing QL-D and QL-C shall be considered to be part of the normal design cost for the project.

Within 90 days following completion of any project using SUE, the lead agency shall submit a completed questionnaire to the TIB documenting the SUE cost and a description of savings on the project. The questionnaire form will be provided by TIB.

POL-815 Right of Way

The Board adopts the following policy regarding Right-of-Way acquisition on TIB funded projects:

1. TIB funds derived from Motor Vehicle Fuel Taxes may be used only for roadway purposes under the 18th Amendment to the Washington State Constitution.
2. Right-of-way shall be acquired in accordance with RCW Chapter 8.26 and WAC Chapter 468-100, "Uniform Relocation Assistance and Real Property Acquisition."
3. Right-of-way acquisition costs incurred after Design Approval are eligible project costs for reimbursement by TIB.
4. Right-of-way acquisition should be completed and certified at the time of Construction Prospectus Approval. If all right-of-way cannot be certified at this time, the local agency must have "Possession and Use" agreements for the remaining parcels. Eligible costs of these parcels will be limited to the final settlement amount for just compensation, or, if a condemnation action is filed and the matter proceeds to trial, the lesser of the pre-trial statement of just compensation as provided in RCW 8.25.010 or the court determined amount. The total amount of right-of-way costs eligible for reimbursement on all parcels within the project shall not exceed the amount set

forth for right-of-way costs in the Construction Prospectus.

5. Property acquired as an uneconomic remnant as defined by WAC Chapter 468-100, "Uniform Relocation Assistance and Real Property Acquisition," may be taken as right-of-way or as fee title. The remnant parcel shall not be eligible for reimbursement by TIB. The value of the remnant parcel shall be considered to be the same square foot value as the entire purchase.
6. When the balance of a parcel beyond the amount of property required for the proposed roadway improvement is purchased, and that remaining parcel is not considered an uneconomic remnant, then the ownership must be taken as fee title. The cost of the balance parcel is not eligible for reimbursement by TIB. The value of the balance parcel shall be established by a formal "after construction" appraisal. This value shall be deducted from the total cost of the entire right-of-way plus fee title purchase with the remaining cost being eligible for reimbursement by TIB.
7. For projects with donated right-of-way which will be counted as part of the local match, the value of the donated right-of-way shall be determined by a "fair market value" appraisal with the date of valuation being the date of the donation.
8. In the event a project does not proceed to construction, all TIB funds expended for the purchase of right-of-way shall be refunded to the TIB in accordance with WAC 479-05-160. The Board may provide a time period for compliance with this requirement upon written request of the local agency.

Delegation of Authority to the Director

Recognizing that the Board does not schedule meetings on a monthly basis the amount of information to be reviewed at each Board Meeting is increasing, and in an effort to make the administration of the Board function in an efficient manner, the Board has delegated to

the Executive Director certain approvals as specified below.

Common items for all programs are:

Identification and consideration of reducing TIB funds - The Director is given authority to reduce TIB funds identified as being surplus.

Consideration of fund shifts – The Director is given authority to move TIB authorized or reserved funds between funding phases/stages on projects where it is in the best interest of the lead agency and TIB to facilitate timely completion of the project. Fund shifts will only be approved if the agency can give TIB assurance that the funds will be replaced by other sources to ensure completion of the project. When a fund shift is approved, the lead agency must be prepared to reimburse the TIB if the project is not completed.

Establishment and approval of Value Engineering (VE) Study interagency teams - The Director is given authority to establish and approve VE study teams.

Authorization to approve Subsurface Utility Engineering (SUE) deviations – The Director is given authority to approve deviations from the SUE policy (Policy No. POL-814) where substantial compliance with the intent of the policy has been met.

Sidewalk deviation authority - The Director is given authority to approve the following types of sidewalk deviation requests:

1. Deviation on both sides of sections of a project which are motor vehicle ramps connecting to a WSDOT limited access route.
2. Deviation on the one side of sections of a project which is a frontage road immediately adjacent to a limited access route.
3. Deviation on the one side of sections of a project which are immediately adjacent to a railroad track or other facility which is considered a danger to pedestrians.
4. Deviation on both sides of a designated limited access facility, if: (1) route is signed for pedestrian prohibition, and (2)

pedestrian facilities are provided on immediately adjacent parallel routes on both sides of the limited access facility for the full length of the requested sidewalk deviation.

Other sidewalk deviation requests shall be submitted to the Board for action.

Federal Fund Swap - The Executive Director is given authority to replace federal funds with state funds on TIB projects. In some projects, the use of federal funds may be the only nexus that requires compliance with more complicated federal project requirements. If federal funds can be “swapped” for state TIB funds without marginal cost, these projects may proceed under the less complex state requirements in the areas of environmental documentation and financial record keeping. Projects that swap funds will be reported to the Board as part of the Project Actions Report.

Specific requirements for each program are:

Arterial Improvement Program:

- Apportionment of interest and fuel tax revenues - The Executive Director is given authority to apportion AIP revenues on a quarterly basis.
- Funding consideration for AIP projects on the approved priority array - The Executive Director is given authority to authorize project funding if there has been no change in project scope and an increase in AIP funds, if required, is less than fifteen percent or \$750,000, through Contract Completion. All other projects will be presented to the Board for their review and approval.

Transportation Partnership Program:

- Funding consideration for TPP projects on the approved priority array - The Executive Director is given authority to authorize project funding if there has been no change in project scope and an increase in TPP funds, if required, is less than fifteen percent or \$750,000 through Contract Completion. All other projects will be presented to the Board for their review and approval.
- Bond sale authorization - The Executive Director is given authority to request the

State Treasurer to sell bonds as needed to support the Transportation Improvement Account. This authority shall be reviewed by the Board annually.

City Hardship Assistance Program:

- Funding consideration for CHAP projects on the approved priority array - The Executive Director is given authority to authorize project funding if there has been no change in project scope and any increase in CHAP funds, if required, is less than \$50,000, or an aggregate total of \$75,000 at construction phase approval. All other projects will be presented to the Board for their review and approval.

Small City Program

- Funding consideration for SCP projects on the approved priority array - The Executive Director is given authority to authorize project funding if there has been no change in project scope and any increase in SCP funds, if required, of up to \$125,000 through Contract Completion. All other projects will be presented to the Board for their review and approval.
- Approval of exceptions to the twenty-five percent engineering limit – The Director is given authority to consider and approve eligible engineering costs for Small City Program (SCP) and Small City Pedestrian Safety and Mobility (SCP/PSMP) projects as follows: construction contract amount up to \$50,000 – 36.0%, contract amount \$100,000 – 33.0%, contract amount \$300,000 – 28.0%, contract amount \$500,000 – 25.0%. Eligible engineering costs between the above values shall be interpolated.

Small City Pedestrian Safety and Mobility Program

- Funding consideration for Small City Pedestrian Safety and Mobility Program (SC/PSMP) projects on the approved priority array – The Executive Director is given authority to authorize project funding if there has been no change in project scope and an increase in

SC/PSMP funds, if required, up to \$25,000 through Contract Completion. All other projects will be presented to the Board for their review and approval.

Delegation of authority to approve Subsurface Utility Engineering deviations approved by Board Motion on October 13, 2000. GMH

Delegation of authority to approve Small City Program and Small City Program/ Pedestrian Safety and Mobility Program design and construction engineering in excess of 25.0% approved by Board Motion on May 25, 2001. GMH

Change in Administrative Increases on AIP and TPP projects to 15% through Contract Completion approved by Board Motion September 28, 2001. RWM

Authorize the Executive Director to replace federal funds with TIB funds. Presented to the Board on January 25, 2002. RFS

Delegation of authority to approve a project increase in SCP funds up to \$125,000 of the original application amount. Approved by Board Motion on January 24, 2003. RFS

Delegation of authority to approve a project increase in SC/PSMP funds up to 15% of the original application amount. Approved by Board Motion on March 28, 2003. RFS

Delete POL-806, Funding for Predesign Projects, as predesign is no longer a phase; remove language referring to the now defunct Public Transportation Systems Account; remove language referring to obsolete sidewalk and increase committees. Approved by Board Motion on May 30, 2003. ECB

Change POL-812, TIB Sign Policy, to increase the size of the logo, prominently place the TIB logo when TIB is the largest funding partner, and identify TIB funding as "State Transportation Improvement Board" rather than "State Fuel Tax." Approved by Board Motion on July 25, 2003. RFS

Change Delegation of authority to approve a project increase in SC/PSMP funds up to \$25,000 of the original application amount. Approved by Board Motion on July 25, 2003. RWM